

Spirit of cooperation remains as rivers recede

Treasurer plays active role in flood recovery



ST. LOUIS COUNTY LIBRARY
MISSOURI DEPOSITORY

State Treasurer Bob Holden surveys flood damage in Ste. Genevieve with Rep. Herb Fallert (left) and local residents.

CNN, Dan Rather and the rest of the national media left Missouri several weeks ago when the high waters from the Flood of '93 mercifully began to return to their banks. However, the real story and the real challenges lie ahead as the state faces the tremendous task of cleaning-up and rebuilding from the devastation left behind by this disaster.

The flood caused 25 deaths and up to \$4 billion in property damage and crop losses in Missouri. State lawmakers met in September for a Special Session called by Governor Mel Carnahan to deal with issues related to the flood and the continuing recovery efforts.

"Uncommon kindness and generosity at the personal level have become common virtues during this disaster," said State Treasurer Bob Holden. "I believe government should also play a role in relieving the suffering of flood victims, and my office is

committed to assisting the thousands of businesses, farmers and homeowners who seek to rebuild their lives and livelihoods."

In early July, Holden quickly responded to the flood conditions across Missouri by lifting a restriction on agriculture linked-deposit loans that prevented farmers from renewing the deposit arrangement beyond five years. Farmers were offered a one-year renewal on their linked-deposit loans, effective immediately.

The treasurer's office contacted the more than 500 financial institutions in the state and encouraged them to make \$90 million accessible through the MISSOURI FIRST Linked-Deposit program available to flood victims who meet the required qualifications.

"From donation centers in individual banks to payment deferrals and

emergency cash advances, the banking industry is showing compassion and a true desire to help the many people in need," said Holden.

As chairman of the Missouri Housing Development Commission, Holden and other commission members set aside approximately \$10 million in grants, loans and other assistance to help low-to moderate-income flood victims in the housing recovery process. MHDC disaster teams visited all 85 Missouri counties declared disaster areas to help eligible citizens access the available flood relief programs.

In August, Holden represented Gov. Carnahan and the state of Missouri at the Midwest Flood Disaster Housing Work Session in Des Moines, Iowa. He accepted \$28 million in federal flood assistance from Housing and Urban

See Flood -- inside center panel

1st

MISSOURI FIRST tops 2000 jobs

Treasurer enhances linked-deposit program

No one has to tell you these are difficult times. Missouri's unemployment rate is about 7 percent, far above the 5.4 prerecession rate. In fact, nearly 7,000 workers lost their jobs last year in Missouri due to plant closings, company takeovers or restructuring.

Jobs. Jobs. Jobs.
The key to rebuilding a strong economy is creating jobs.

State Treasurer Bob Holden is doing just that. With the new and improved MISSOURI FIRST Linked-Deposit program, the treasurer's office has helped to create more than 2,180 jobs since January.

Missouri's \$350 million linked deposit program is one of the largest of its kind in the nation. The program has \$165 million allocated for farm loans, \$110 million for job creation, \$55 million for small business loans, \$10 million for drought relief and any unallocated funds, currently limited to \$10 million, may be used for student loans. And with the signing of HB 566, \$10 million has been allocated for low-cost housing projects.

Under the program, the treasurer places below-market rate deposits of state funds in Missouri financial institutions. These institutions then pass on the savings to eligible borrowers, who can use the money to start a small

business, to help their farm and to create jobs.

Approximately 300 of Missouri's 500 banks participate in this program. Of Missouri's 114 counties, more than 100 have benefitted directly from a linked deposit loan.

In just nine months, the office has developed partnerships with more than 80 banks and small businesses, working together to create jobs for Missourians.

Holden said that one of his highest priorities is to promote economic growth in the state. Stimulating the economy provides more funding for education. An educated work force draws outside business to Missouri and builds a stronger base for employment.

Recently enacted legislative and policy changes will enhance the ability of the linked-deposit program to benefit Missourians. Treasurer Holden even changed the name of the program, from MOBUCKS to MISSOURI FIRST.

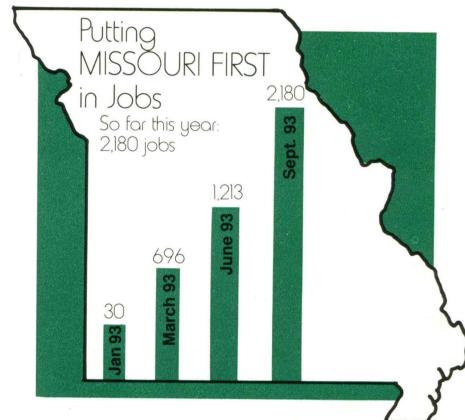
"We needed a name that more clearly defines our goals," Holden said. "We want to invest in jobs for the citizens of our state and to put MISSOURI FIRST in economic growth and job creation."

Questions about the MISSOURI FIRST program? Call

1-800-662-8527

Changes to the MISSOURI FIRST Linked-Deposit program:

- 1) Beginning farmers can now qualify for up to \$250,000.
- 2) Agri-business and livestock operations are now eligible for aid.
- 3) Multi-family housing owners and developers are now eligible for linked deposits ranging from \$10,000 to \$1 million.
- 4) Businesses that qualify for the Small Business program may now employ fewer than 25 employees.
- 5) The maximum loan rate to the borrower in the Job Creation Program has changed to 70 percent of the certified normal lending rate, and the minimum deposit rate for this program is 2 percent.
- 6) In response to flood victims who currently participate in the program, the five-year participation limit in the agriculture and small business programs is waived for one year.



MISSOURI FIRST Highlights:

120 Jobs at Cooper Industries

Cooper Industries, Inc. recently established its Cooper Automotive Division headquarters in Chesterfield, creating and retaining 120 jobs.

The state placed \$3 million in state funds with Boatmen's National Bank of St. Louis. Cooper Industries will use the funds to finance new facility costs and

employee training.

Cooper Industries is a diversified, worldwide manufacturer of electrical products, electrical power equipment and petroleum and industrial equipment.

20 jobs at National Care

National Care Centers operates a nursing home and retirement apartment complex that currently houses 120

residents. The state awarded the company \$500,000 to create 20 jobs for the area.

Company President Bill Foster said state assistance will enable the company to hire necessary staff for the apartment complex which will accommodate 31 senior citizens when it opens in Mid-October.

Holden invests in 400 Missouri jobs

MISSOURI FIRST Linked-Deposit funds 400 jobs at AT&T

American Telephone & Telegraph Co. (AT&T) is expanding its Customer Sales and Service Center in Lee's Summit, Missouri, with the help of the MISSOURI FIRST Linked-Deposit program. State Treasurer Bob Holden said the expansion has created more than 400 jobs for the Kansas City area.

AT&T, a global communications and computer company, received a \$10 million linked-deposit in April, 1993.

Holden said he placed the \$10 million with the United Missouri Bank of Kansas City at a rate below the current Treasury Bill rates. UMB used the funds to provide a low interest loan to AT&T to utilize in its expansion.

The state assistance allowed AT&T to create more than 400 customer-contact positions at the Lee's Summit facility at 777 N. Blue Parkway. The employees will support AT&T's long-distance business by investigating customer billing and service inquiries and negotiating the sale of individualized customer services.

"I believe that the most profitable return-on-investment we can get for the dollar is in job creation for the people of Missouri," Holden said. "My goal is to invest in Missouri jobs and to maintain a high level of commitment to economic



State Treasurer Bob Holden, DED Director Joe Driskill and Jackson County Executive Marsha Murphy look on as an AT&T customer service representative explains how he and 400 new Kansas City area workers assist customers at the company's Lee's Summit facility.

development within the state."

AT&T began operations in Lee's Summit in June of 1961. Operations at the Lee's Summit complex include AT&T's newly established Customer Sales and Service Center, National Tele-marketing Agency and AT&T Microelectronics. More than 1,700 Missourians are currently employed at the facility.

"AT&T is pleased to participate in the MISSOURI FIRST Linked Deposit program, which offers tremendous long-term benefits not only for our people and company, but for Lee's Summit and the State of Missouri," said Sara Tucker, AT&T's sales vice-president for consumer operations. "AT&T's lengthy

association with Lee's Summit, combined with a qualified work force and the efforts of local and state officials, has made it possible for us to be a part of the continued growth in this area."

Governor Carnahan said that the state will provide AT&T with \$57,207 in job training funds through Missouri's Customized Training Program. The funds will be used for classroom training of the newly hired customer service representatives.

The expansion of AT&T's Customer Sales and Service Center represents an investment of more than \$5 million by the company.

Flood: Continued from cover page

Development Secretary Henry Cisneros.

Missouri, with an estimated 15,000 people left homeless by the flood, received more federal assistance than any of the other nine states represented at the session.

"The \$12 million in HOME funds and \$16 million in CDBG funds will go a long way in helping flood victims get

back in good, affordable housing," said Holden. "Our elected representatives and federal agencies are slicing through the red tape in Washington and delivering cold hard cash so that states have the flexibility to distribute it in the most efficient and effective way to reach flood victims."

MHDC has established a toll-free number for flood victims who want to

learn more about recovery assistance. Holden encourages individuals to call MHDC at 1-800-237-8197.

"With Governor Carnahan's strong leadership, continued help from the federal government, and the kindness and support of so many volunteers, I am confident Missouri will battle back from the great flood of '93," said Holden.

A note from the treasurer

Dear Fellow Missourians,

The summer of '93 will long be remembered as a time when the state's rivers and streams rose to record levels, washing away businesses, farms, homes and lives. Tales of terror, tragedy and devastation from the floods of '93 will be told to our children's children.



But when I look back on this disaster, I will recall how the people of our state and of our nation responded with their time, their toil, their dollars and their hearts.

Will Rogers once said, "We can't all be heroes because someone has to sit on the curb and clap as they go by." I'll proudly take my

seat on the street and applaud the hundreds, actually thousands of heroes whose compassion and dedication will carry Missouri through this crisis.

While visiting a Salvation Army flood relief site in St. Louis, I met a young man who had hitchhiked from the state of California to volunteer his services. I chatted with a minister and a portion of his congregation who drove a bus up from Georgia to help Missouri flood victims scrape the mud and debris from their homes. In Ste. Genevieve, I witnessed an entire community bonded together to battle the rampaging Mississippi River. Standing side by side, after forty consecutive days and nights of sandbagging, these strong and resilient Missourians saved much of their old, historic town from the flood's wrath.

I also want to commend Governor Carnahan, the General Assembly and all the state agencies that have and will continue to respond to the victims of the floods. The State Treasurer's Office and the Missouri Housing Development Commission remain committed to assisting in the flood recovery and will be reaching out to flood victims through all the available and applicable programs.

The spirit of cooperation that has prevailed throughout this disaster will be needed most in the months ahead as Missouri continues to cope with the lingering effects of the Flood of '93. The thousands of flood-ravaged people in our state are counting on that spirit of cooperation to help them rebuild their lives and livelihoods. I am confident that they will not be disappointed.

Holden to head national ethics task force

State Treasurer Bob Holden was named chairman of a new 16-member task force set up by the National Association of State Treasurers (NAST) to develop a code of ethics for participants in the municipal securities market.

Holden was in Washington earlier this month to discuss the issue with U.S. Securities and Exchange Commission Chairman Arthur Levitt.

"The municipal securities market is essential to our country and provides an efficient means of financing local government needs," Holden said. "However, concerns over political influence peddling and disclosure problems need to be addressed to restore investor confidence in the municipal marketplace."

News briefs:

Holden chairs MHDC

Treasurer Holden was elected chair of the Missouri Housing Development Commission (MHDC) in May.

MHDC was established in 1969 to assist in the creation of low- and moderate-income housing in Missouri.

Holden attributes his election to the post to his strong interest in housing the state's homeless and low- and moderate-income individuals and families..

Bids due for banking services

Missouri banks bidding on the contract to handle the state's multibillion dollar account must complete, sign and return their proposals to the Treasurer's Office by Oct. 15.

"Our staff has strived to make this process as open and fair as possible," Holden said. "I am committed to making sure the taxpayers of Missouri are receiving the maximum benefit for their tax dollars through our selection process."

Holden said he is seeking the lowest price and best performance when evaluating the bids and he said the account may go to one bank or several banks depending on the proposals for various services. Holden anticipates awarding the contract in mid-November.

Banks address check cashing

The state treasurer's office and the Missouri Bankers Association are identifying ways to increase accessibility to free or low-cost check cashing for recipients of state-issued checks.

Results from a joint survey indicate that about 83 percent of 546 banks cash state-issued checks for non-customers at little or no cost.

Branch offices open

State Treasurer Bob Holden announced the opening of two branch offices in an effort to make the programs and services of the state treasurer's office more accessible to citizens in Missouri's largest metropolitan areas.

The Kansas City office is located in room 112 of the Kansas City State Office Building. Please contact Susan Jacobson at 816-889-3172. The St. Louis office is located in room 270 of the Wainwright State Office Building. Please contact Tony Credit at 314-340-7856.

Unclaimed Properties: Missouri's largest lost and found

Missouri State Treasurer Bob Holden traveled across the state September 7-8, handing out money in nine different communities. A retiree in Springfield pocketed more than a thousand dollars, the Adair County Sheriff's Office collected a check for over \$300, a senior citizen center in St. Joseph received \$44,000, and even Governor Carnahan came away 96 cents richer.

Holden was returning money and property to their rightful owners while seeking to promote the transfer of the state's Unclaimed Property Section from the Department of Economic Development to the State Treasurer's Office. The treasurer's office assumed responsibility for the Unclaimed Property Section on July 1, 1993, after Governor Carnahan signed House Bill 566 into law earlier this summer.

"One out of every 15 Missourians has money or property in the state's Unclaimed Property Section, with claims ranging from 1 cent to \$71,000," said Holden. "The state currently holds an estimated \$40 million in unclaimed property and funds, and we want to link Missouri businesses, citizens and organizations with the money due them."

Holden said his staff will step-up the state's efforts to return unclaimed property to its owners. County treasurers



**Holden returns
\$44,000 to a senior
center in St. Joseph.
(Right) The treasurer
stops in Hannibal to
deliver unclaimed
property.**



and state lawmakers will work with the Unclaimed Property Section to reach potential claimants in their regions of the state. The treasurer's staff will develop a portable computer system to check people's names for unclaimed property at community events held in Missouri.

"With proper verification, we can return funds to Ronald Reagan, Rush

Limbaugh, George Brett and many other notable personalities," said Holden. "And the state is holding more than unclaimed money. We have received a wide variety of items from safe deposit boxes including: a set of false teeth, a 2 carat diamond solitaire ring, cremated remains and documents signed by Abraham Lincoln. The Unclaimed Property Section truly is Missouri's largest lost and found."

"It's just like a visit from Santa Claus," said Gladys Davis of Springfield after accepting a \$1,239 check.

Q. What is unclaimed property?

A. Unclaimed property consists of cash, stocks, bonds and contents of safe deposit boxes that have been abandoned. Other types of unclaimed property include uncollected insurance policy proceeds, government refunds, utility deposits and wages from past jobs. The Unclaimed Property Section does not handle any real property such as land, houses, cars, boats, etc.

Q. Where does it come from?

A. State law requires financial institutions, insurance companies, and businesses to turn over property to the state if they have had no contact with the owners for seven or more years. The state's Abandoned Fund Account holds cash property in trust forever. The Missouri State Treasurer's Office then attempts to locate and return the property to the rightful owners.

Q. How do I claim my property?

A. Simply send a postcard to Unclaimed Property Section, P.O. Box 1272, Jefferson City, MO 65102 with a list of owners' names. We will let you know if the names are associated with any unclaimed property in the custody of the state. To recover unclaimed property, claimants must be either the original owner of the property or a legal heir if the original owner is deceased.

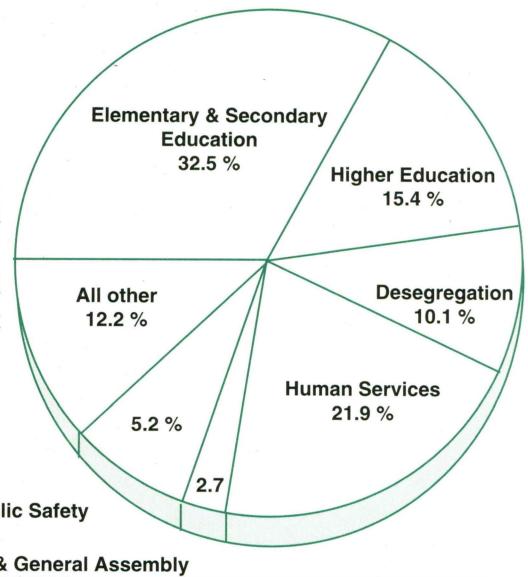
General revenue up 3.66 percent for FY 1993

Missouri State Treasurer Bob Holden reported that on the final day of the state's fiscal year, general revenue showed an overall increase of 3.66 percent or \$157 million over fiscal year 1992.

This growth falls just short of Governor Mel Carnahan's revised projected growth rate of 3.9 percent for the fiscal year, which ended June 30.

Individual income tax receipts displayed the strongest growth, with an

increase of almost 7 percent or \$151 million more than last year's collections. Corporate income tax receipts trailed last year's figures by more than \$37 million. Sales tax revenues exceeded fiscal year 1992 collections by 5 percent or \$64 million.



FY1993 General Revenue Report

	FY 1993	FY 1992	increase/(decrease)	
Sales and Use Tax	\$ 1,339,986,015	\$ 1,275,886,148	5.02 %	\$ 64 million
Income Tax—Individual	2,319,222,785	2,167,738,549	6.99	151 million
Income Tax—Corporate	237,760,988	275,169,319	(13.59)	(37 million)
Inheritance-Estate	59,764,765	47,444,427	25.97	12 million
Interest	17,402,869	19,075,170	(8.77)	(1.7 million)
Liquor	18,897,421	18,141,996	4.16	755,000
Beer	7,355,787	7,478,869	(1.65)	(123,000)
County Foreign Insurance	135,206,655	127,190,216	6.30	8 million
Corporate Franchise	59,820,001	56,181,558	6.48	3.6 million
Other Collections	154,962,243	216,361,984	(28.38)	(61 million)
Transfers from other funds	113,701,325	95,989,788	18.45	17.7 million
Total State Treasurer Report of Collections	\$ 4,464,080,855	\$ 4,306,658,024	3.66 %	\$ 157 million

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